



**STODDARD COUNTY, MISSOURI
TWO YEARS ENDED DECEMBER 31, 2000**

**From The Office Of State Auditor
Claire McCaskill**

**Report No. 2001-97
September 25, 2001
www.auditor.state.mo.us**

AUDIT REPORT



Office Of The
State Auditor Of Missouri
Claire McCaskill

September 2001

IMPORTANT: The Missouri State Auditor is required by Missouri law to conduct audits only once every four years in counties, like Stoddard, which do not have a county auditor. However, to assist such counties in meeting federal audit requirements, the State Auditor will also perform a financial and compliance audit of various county operating funds every two years. This voluntary service to Missouri counties can only be provided when state auditing resources are available and does not interfere with the State Auditor's constitutional responsibility of auditing state government.

Once every four years, the State Auditor's statutory audit will cover additional areas of county operations, as well as the elected county officials, as required by Missouri's Constitution.

This audit of Stoddard County included additional areas of county operations, as well as the elected county officials. The following concerns were noted as part of the audit:

- The Sheriff's department and reserve deputies maintain several bank accounts outside the county treasury. The Sheriff indicated that he did not know how many accounts there were, that he got no reporting on the accounts, and that he believed these accounts were not subject to audit because they were not county funds.

However, we subpoenaed some records and found that at least \$4,700 in federal receipts were deposited in these accounts. Additionally, commissary profits which are maintained in one of the accounts are accountable fees that should be handled through the county treasury. More than \$50,000 of receipts and disbursements in three accounts were not monitored by a county official.

- The County Commission has no assurance payments made to the Sheriff, totaling more than \$106,000, for preparing and serving meals to prisoners are reasonable. The County Commission does not receive or review any documentation supporting the actual food costs incurred by the Sheriff. In addition, the amounts are not reported to the IRS on the Sheriff's W-2 form.
- A state law, Section 50.333.13, RSMo, enacted in 1997, allowed salary commissions meeting in 1997 to provide mid-term salary increases for associate county commissioners elected in 1996 due to the fact that their terms were increased from two years to four. Based on this law, in 1999 Stoddard County's Associate County Commissioners salaries were each increased approximately \$8,955 yearly, according to information from the county clerk.

(over)

YELLOW SHEET

On May 15, 2001, the Missouri Supreme Court handed down an opinion that holds that all raises given pursuant to this statute section are unconstitutional. Based on the Supreme Court decision, the raises given to each of the Associate County Commissioners, totaling approximately \$17,910, for the two years ended December 31, 2000, should be repaid.

- The County Commission did not adequately monitor townships and special road districts receiving federal monies for bridge replacement and repair. In addition, the County Commission did not enter into written contracts with the townships and special road districts for distribution of County Aid Road Trust (CART) monies.
- The county prepared a schedule of expenditures of federal awards, for the years ended December 31, 2000 and 1999; however, the schedule contained a number of errors and omissions with expenditures over reported by approximately \$114,000 for 2000 and understated by approximately \$62,000 for 1999.

Also included in the audit are recommendations related to budgetary practices, published financial statements, township interest distribution, mileage, general fixed assets, and computer controls. The audit also suggested improvements in the record keeping of the County Clerk, County Treasurer/Ex-Officio Collector, Prosecuting Attorney, Recorder of Deeds, Circuit Clerk, and the Sheriff's Fee Account and Inmate Account. Several of these issues have been mentioned in prior audits.

All reports are available on our website: www.auditor.state.mo.us

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FINANCIAL SECTION

State Auditor's Reports



CLAIRE C. McCASKILL
Missouri State Auditor

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS**

To the County Commission
and
Officeholders of Stoddard County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of Stoddard County, Missouri, as of and for the years ended December 31, 2000 and 1999, as identified in the table of contents. These special-purpose financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of Stoddard County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county and are not intended to be a complete presentation of the financial position and results of operations of those funds or of Stoddard County.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Stoddard County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31, 2000 and 1999, in conformity with the comprehensive basis of accounting discussed in Note 1,

which is a basis of accounting other than accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we also have issued our report dated June 7, 2001, on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the management of Stoddard County, Missouri, and was not subjected to the auditing procedures applied in the audit of the special-purpose financial statements referred to above.



Claire McCaskill
State Auditor

June 7, 2001 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Thomas J. Kremer, CPA
Audit Manager:	Alice M. Fast, CPA
Audit Staff:	Michael J. Monia
	Chris Vetter



CLAIRE C. McCASKILL
Missouri State Auditor

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission
and
Officeholders of Stoddard County, Missouri

We have audited the special-purpose financial statements of various funds of Stoddard County, Missouri, as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated June 7, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of Stoddard County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance which are described in the accompanying Management Advisory Report.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Stoddard County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not

necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting which are described in the accompanying Management Advisory Report.

This report is intended for the information of the management of Stoddard County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, reading "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" and last name "McCaskill" clearly distinguishable.

Claire McCaskill
State Auditor

June 7, 2001 (fieldwork completion date)

Financial Statements

Exhibit A-1

STODDARD COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
YEAR ENDED DECEMBER 31, 2000

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 1,247,453	2,232,209	2,577,114	902,548
Special Road and Bridge	1,264,473	1,613,072	1,700,895	1,176,650
Assessment	90,954	241,910	220,718	112,146
Law Enforcement Training	6,060	4,546	4,806	5,800
Prosecuting Attorney Training	6,585	897	265	7,217
Drainage Districts	156,490	26,404	26,000	156,894
County Farm	57,593	0	0	57,593
Prosecuting Attorney Administration	39,787	20,784	27,102	33,469
Recorder Maintenance	20,770	14,767	20,381	15,156
Domestic Violence	14,643	3,429	6,000	12,072
Crime Reduction	4,094	0	259	3,835
Prosecuting Attorney Delinquent Tax	4,437	1,775	847	5,365
Archives	5,051	0	10,083	(5,032)
Use Tax	55,555	0	0	55,555
D.A.R.E.	1,845	0	1,046	799
Sheriff's Forfeiture	1,767	0	920	847
P.O.S.T.	6,960	2,167	530	8,597
Sheriff's Civil Process	10,216	16,576	21,557	5,235
Capital Improvements	603,478	0	297,023	306,455
Associate Circuit Division Interest	8,688	2,183	2,552	8,319
Circuit Division Interest	23,243	2,660	703	25,200
Law Library	6,266	12,400	11,062	7,604
Total	\$ 3,636,408	4,195,779	4,929,863	2,902,324

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit A-2

STODDARD COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
YEAR ENDED DECEMBER 31, 1999

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 1,206,402	2,307,612	2,266,561	1,247,453
Special Road and Bridge	1,175,497	1,671,586	1,582,610	1,264,473
Assessment	77,783	234,926	221,755	90,954
Law Enforcement Training	4,412	6,558	4,910	6,060
Prosecuting Attorney Training	5,397	1,485	297	6,585
Drainage Districts	163,356	32,199	39,065	156,490
County Farm	58,455	0	862	57,593
Prosecuting Attorney Administration	35,124	26,735	22,072	39,787
Recorder Maintenance	23,578	21,028	23,836	20,770
Domestic Violence	18,774	5,869	10,000	14,643
Crime Reduction	3,880	481	267	4,094
Prosecuting Attorney Delinquent Tax	2,822	1,915	300	4,437
Archives	2,081	13,526	10,556	5,051
Use Tax	53,421	2,134	0	55,555
D.A.R.E	3,718	1,289	3,162	1,845
Sheriff's Forfeiture	3,624	143	2,000	1,767
P.O.S.T.	3,589	3,371	0	6,960
Sheriff's Civil Process	15,133	24,694	29,611	10,216
Capital Improvements	590,563	12,915	0	603,478
Associate Circuit Division Interest	7,428	4,865	3,605	8,688
Circuit Division Interest	15,936	7,307	0	23,243
Law Library	5,401	10,667	9,802	6,266
Total	\$ 3,476,374	4,391,305	4,231,271	3,636,408

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit B

STODDARD COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2000			1999		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>TOTALS - VARIOUS FUNDS</u>						
RECEIPTS	\$ 6,750,918	4,178,536	(2,572,382)	4,226,821	4,368,466	141,645
DISBURSEMENTS	8,391,019	4,915,546	3,475,473	5,360,186	4,217,864	1,142,322
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,640,101)	(737,010)	903,091	(1,133,365)	150,602	1,283,967
CASH, JANUARY 1	3,598,211	3,598,211	0	3,447,609	3,447,609	0
CASH, DECEMBER 31	1,958,110	2,861,201	903,091	2,314,244	3,598,211	1,283,967
<u>GENERAL REVENUE FUND</u>						
RECEIPTS						
Property taxes	322,514	330,596	8,082	354,957	321,041	(33,916)
Sales taxes	1,000,000	1,001,637	1,637	960,000	1,012,988	52,988
Intergovernmental	522,207	499,104	(23,103)	560,691	488,231	(72,460)
Charges for services	313,100	275,108	(37,992)	297,500	313,540	16,040
Interest	100,000	66,306	(33,694)	95,000	100,620	5,620
Other	62,400	59,458	(2,942)	37,000	71,192	34,192
Total Receipts	2,320,221	2,232,209	(88,012)	2,305,148	2,307,612	2,464
DISBURSEMENTS						
County Commission	89,390	88,303	1,087	89,390	88,352	1,038
County Clerk	95,024	91,364	3,660	93,824	87,882	5,942
Elections	127,296	143,171	(15,875)	107,596	87,548	20,048
Buildings and grounds	103,106	96,816	6,290	104,806	89,124	15,682
Employee fringe benefits	266,425	242,429	23,996	271,112	242,849	28,263
County Treasurer	118,974	109,806	9,168	115,374	109,862	5,512
Ex Officio Recorder of Deeds	109,360	106,186	3,174	105,960	104,950	1,010
Circuit Clerk	27,500	22,829	4,671	29,500	24,468	5,032
Associate Circuit Court	28,615	13,496	15,119	48,275	28,097	20,178
Associate Circuit (Probate)	25,250	13,945	11,305	25,000	20,567	4,433
Court administration	14,935	11,815	3,120	14,461	8,500	5,961
Public Administrator	17,200	8,146	9,054	16,900	14,233	2,667
Sheriff	642,700	632,699	10,001	626,988	620,602	6,386
Prosecuting Attorney	149,896	129,537	20,359	145,296	138,124	7,172
Juvenile Officer	399,020	716,967	(317,947)	374,183	373,694	489
County Coroner	21,425	13,662	7,763	19,150	17,050	2,100
Building improvements	53,500	8,074	45,426	53,500	24,666	28,834
Highway Engineer	100	0	100	100	0	100
Emergency management	16,350	16,567	(217)	15,080	13,784	1,296
Other	185,546	106,602	78,944	207,778	168,709	39,069
Public health and welfare services	5,000	4,700	300	5,000	3,500	1,500
Transfers out	396,522	0	396,522	0	0	0
Emergency Fund	80,000	0	80,000	80,000	0	80,000
Total Disbursements	2,973,134	2,577,114	396,020	2,549,273	2,266,561	282,712
RECEIPTS OVER (UNDER) DISBURSEMENTS	(652,913)	(344,905)	308,008	(244,125)	41,051	285,176
CASH, JANUARY 1	1,247,453	1,247,453	0	1,206,402	1,206,402	0
CASH, DECEMBER 31	594,540	902,548	308,008	962,277	1,247,453	285,176
<u>SPECIAL ROAD AND BRIDGE FUND</u>						
RECEIPTS						
Intergovernmental	1,584,000	1,589,602	5,602	1,328,000	1,620,026	292,026
Interest	52,000	23,470	(28,530)	52,000	51,560	(440)
Total Receipts	1,636,000	1,613,072	(22,928)	1,380,000	1,671,586	291,586
DISBURSEMENTS						
Road and bridge materials	20,000	629	19,371	20,000	4,794	15,206
Construction, repair, and maintenance	1,814,473	1,700,266	114,207	1,625,497	1,577,816	47,681
Total Disbursements	1,834,473	1,700,895	133,578	1,645,497	1,582,610	62,887
RECEIPTS OVER (UNDER) DISBURSEMENTS	(198,473)	(87,823)	110,650	(265,497)	88,976	354,473
CASH, JANUARY 1	1,264,473	1,264,473	0	1,175,497	1,175,497	0
CASH, DECEMBER 31	1,066,000	1,176,650	110,650	910,000	1,264,473	354,473

Exhibit B

STODDARD COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2000			1999		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>ASSESSMENT FUND</u>						
RECEIPTS						
Intergovernmental	240,900	240,233	(667)	231,973	229,511	(2,462)
Interest	5,400	1,677	(3,723)	5,100	5,415	315
Total Receipts	246,300	241,910	(4,390)	237,073	234,926	(2,147)
DISBURSEMENTS						
Assessor	290,551	220,718	69,833	286,487	221,755	64,732
Total Disbursements	290,551	220,718	69,833	286,487	221,755	64,732
RECEIPTS OVER (UNDER) DISBURSEMENTS	(44,251)	21,192	65,443	(49,414)	13,171	62,585
CASH, JANUARY 1	90,954	90,954	0	77,783	77,783	0
CASH, DECEMBER 31	46,703	112,146	65,443	28,369	90,954	62,585
<u>LAW ENFORCEMENT TRAINING FUND</u>						
RECEIPTS						
Charges for services	6,000	4,546	(1,454)	5,000	6,341	1,341
Interest	200	0	(200)	175	217	42
Total Receipts	6,200	4,546	(1,654)	5,175	6,558	1,383
DISBURSEMENTS						
Sheriff	6,050	4,806	1,244	6,050	4,910	1,140
Total Disbursements	6,050	4,806	1,244	6,050	4,910	1,140
RECEIPTS OVER (UNDER) DISBURSEMENTS	150	(260)	(410)	(875)	1,648	2,523
CASH, JANUARY 1	6,060	6,060	0	4,412	4,412	0
CASH, DECEMBER 31	6,210	5,800	(410)	3,537	6,060	2,523
<u>PROSECUTING ATTORNEY TRAINING FUND</u>						
RECEIPTS						
Charges for services	1,200	782	(418)	1,000	1,226	226
Interest	200	115	(85)	150	259	109
Total Receipts	1,400	897	(503)	1,150	1,485	335
DISBURSEMENTS						
Prosecuting Attorney	4,000	265	3,735	3,000	297	2,703
Total Disbursements	4,000	265	3,735	3,000	297	2,703
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,600)	632	3,232	(1,850)	1,188	3,038
CASH, JANUARY 1	6,585	6,585	0	5,397	5,397	0
CASH, DECEMBER 31	3,985	7,217	3,232	3,547	6,585	3,038
<u>DRAINAGE DISTRICTS FUND</u>						
RECEIPTS						
Property taxes	25,525	25,570	45	31,500	25,545	(5,955)
Interest	6,600	834	(5,766)	6,300	6,654	354
Total Receipts	32,125	26,404	(5,721)	37,800	32,199	(5,601)
DISBURSEMENTS						
Drainage Districts	50,000	26,000	24,000	50,000	39,065	10,935
Total Disbursements	50,000	26,000	24,000	50,000	39,065	10,935
RECEIPTS OVER (UNDER) DISBURSEMENTS	(17,875)	404	18,279	(12,200)	(6,866)	5,334
CASH, JANUARY 1	156,490	156,490	0	163,356	163,356	0
CASH, DECEMBER 31	138,615	156,894	18,279	151,156	156,490	5,334

Exhibit B

STODDARD COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2000			1999		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>COUNTY FARM FUND</u>						
RECEIPTS						
Total Receipts	0	0	0	0	0	0
DISBURSEMENTS						
Other	50,000	0	50,000	50,000	862	49,138
Total Disbursements	50,000	0	50,000	50,000	862	49,138
RECEIPTS OVER (UNDER) DISBURSEMENTS	(50,000)	0	50,000	(50,000)	(862)	49,138
CASH, JANUARY 1	57,593	57,593	0	58,455	58,455	0
CASH, DECEMBER 31	7,593	57,593	50,000	8,455	57,593	49,138
<u>PROSECUTING ATTORNEY ADMINISTRATION FUND</u>						
RECEIPTS						
Charges for services	26,500	20,784	(5,716)	19,500	25,235	5,735
Interest	1,500	0	(1,500)	1,500	1,500	0
Total Receipts	28,000	20,784	(7,216)	21,000	26,735	5,735
DISBURSEMENTS						
Prosecuting Attorney	41,632	27,102	14,530	24,500	22,072	2,428
Total Disbursements	41,632	27,102	14,530	24,500	22,072	2,428
RECEIPTS OVER (UNDER) DISBURSEMENTS	(13,632)	(6,318)	7,314	(3,500)	4,663	8,163
CASH, JANUARY 1	39,787	39,787	0	35,124	35,124	0
CASH, DECEMBER 31	26,155	33,469	7,314	31,624	39,787	8,163
<u>RECORDER MAINTENANCE FUND</u>						
RECEIPTS						
Charges for services	20,000	14,767	(5,233)	12,000	20,055	8,055
Interest	1,000	0	(1,000)	900	973	73
Total Receipts	21,000	14,767	(6,233)	12,900	21,028	8,128
DISBURSEMENTS						
Recorder	21,728	20,381	1,347	24,364	23,836	528
Total Disbursements	21,728	20,381	1,347	24,364	23,836	528
RECEIPTS OVER (UNDER) DISBURSEMENTS	(728)	(5,614)	(4,886)	(11,464)	(2,808)	8,656
CASH, JANUARY 1	20,770	20,770	0	23,578	23,578	0
CASH, DECEMBER 31	20,042	15,156	(4,886)	12,114	20,770	8,656
<u>DOMESTIC VIOLENCE FUND</u>						
RECEIPTS						
Charges for services	5,000	3,429	(1,571)	5,100	4,962	(138)
Interest	900	0	(900)	625	907	282
Total Receipts	5,900	3,429	(2,471)	5,725	5,869	144
DISBURSEMENTS						
Payments to shelters	6,000	6,000	0	10,000	10,000	0
Total Disbursements	6,000	6,000	0	10,000	10,000	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	(100)	(2,571)	(2,471)	(4,275)	(4,131)	144
CASH, JANUARY 1	14,643	14,643	0	18,774	18,774	0
CASH, DECEMBER 31	14,543	12,072	(2,471)	14,499	14,643	144

Exhibit B

STODDARD COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2000			1999		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>CRIME REDUCTION FUND</u>						
RECEIPTS						
Charges for services	350	0	(350)	1,900	325	(1,575)
Interest	150	0	(150)	100	156	56
Total Receipts	500	0	(500)	2,000	481	(1,519)
DISBURSEMENTS						
Prosecuting Attorney	2,500	259	2,241	2,500	267	2,233
Total Disbursements	2,500	259	2,241	2,500	267	2,233
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,000)	(259)	1,741	(500)	214	714
CASH, JANUARY 1	4,094	4,094	0	3,880	3,880	0
CASH, DECEMBER 31	2,094	3,835	1,741	3,380	4,094	714
<u>PROSECUTING ATTORNEY DELINQUENT TAX FUND</u>						
RECEIPTS						
Intergovernmental	1,875	1,775	(100)	1,000	1,786	786
Interest	125	0	(125)	100	129	29
Total Receipts	2,000	1,775	(225)	1,100	1,915	815
DISBURSEMENTS						
Prosecuting Attorney	2,000	847	1,153	2,000	300	1,700
Total Disbursements	2,000	847	1,153	2,000	300	1,700
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	928	928	(900)	1,615	2,515
CASH, JANUARY 1	4,437	4,437	0	2,822	2,822	0
CASH, DECEMBER 31	4,437	5,365	928	1,922	4,437	2,515
<u>ARCHIVES FUND</u>						
RECEIPTS						
Intergovernmental	0	0	0	39,900	0	(39,900)
Transfers in	8,000	0	(8,000)	26,475	13,526	(12,949)
Total Receipts	8,000	0	(8,000)	66,375	13,526	(52,849)
DISBURSEMENTS						
Recorder	13,012	10,083	2,929	68,452	10,556	57,896
Total Disbursements	13,012	10,083	2,929	68,452	10,556	57,896
RECEIPTS OVER (UNDER) DISBURSEMENTS	(5,012)	(10,083)	(5,071)	(2,077)	2,970	5,047
CASH, JANUARY 1	5,051	5,051	0	2,081	2,081	0
CASH, DECEMBER 31	39	(5,032)	(5,071)	4	5,051	5,047
<u>USE TAX FUND</u>						
RECEIPTS						
Interest	2,100	0	(2,100)	4,500	2,134	(2,366)
Total Receipts	2,100	0	(2,100)	4,500	2,134	(2,366)
DISBURSEMENTS						
Other	55,555	0	55,555	0	0	0
Total Disbursements	55,555	0	55,555	0	0	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	(53,455)	0	53,455	4,500	2,134	(2,366)
CASH, JANUARY 1	55,555	55,555	0	53,421	53,421	0
CASH, DECEMBER 31	2,100	55,555	53,455	57,921	55,555	(2,366)

Exhibit B

STODDARD COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2000			1999		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>D.A.R.E. FUND</u>						
RECEIPTS						
Other	1,000	0	(1,000)	200	1,289	1,089
Total Receipts	1,000	0	(1,000)	200	1,289	1,089
DISBURSEMENTS						
Sheriff	1,761	1,046	715	3,500	3,162	338
Total Disbursements	1,761	1,046	715	3,500	3,162	338
RECEIPTS OVER (UNDER) DISBURSEMENTS	(761)	(1,046)	(285)	(3,300)	(1,873)	1,427
CASH, JANUARY 1	1,845	1,845	0	3,718	3,718	0
CASH, DECEMBER 31	1,084	799	(285)	418	1,845	1,427
<u>SHERIFF'S FORFEITURE FUND</u>						
RECEIPTS						
Other	150	0	(150)	175	143	(32)
Total Receipts	150	0	(150)	175	143	(32)
DISBURSEMENTS						
Sheriff	1,623	920	703	2,500	2,000	500
Total Disbursements	1,623	920	703	2,500	2,000	500
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,473)	(920)	553	(2,325)	(1,857)	468
CASH, JANUARY 1	1,767	1,767	0	3,624	3,624	0
CASH, DECEMBER 31	294	847	553	1,299	1,767	468
<u>P.O.S.T. FUND</u>						
RECEIPTS						
Charges for services	3,500	2,167	(1,333)	1,500	3,371	1,871
Total Receipts	3,500	2,167	(1,333)	1,500	3,371	1,871
DISBURSEMENTS						
Sheriff	2,000	530	1,470	1,500	0	1,500
Total Disbursements	2,000	530	1,470	1,500	0	1,500
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,500	1,637	137	0	3,371	3,371
CASH, JANUARY 1	6,960	6,960	0	3,589	3,589	0
CASH, DECEMBER 31	8,460	8,597	137	3,589	6,960	3,371
<u>SHERIFF'S CIVIL PROCESS FUND</u>						
RECEIPTS						
Charges for services	25,000	16,576	(8,424)	30,000	24,694	(5,306)
Total Receipts	25,000	16,576	(8,424)	30,000	24,694	(5,306)
DISBURSEMENTS						
Sheriff	35,000	21,557	13,443	40,000	29,611	10,389
Total Disbursements	35,000	21,557	13,443	40,000	29,611	10,389
RECEIPTS OVER (UNDER) DISBURSEMENTS	(10,000)	(4,981)	5,019	(10,000)	(4,917)	5,083
CASH, JANUARY 1	10,216	10,216	0	15,133	15,133	0
CASH, DECEMBER 31	216	5,235	5,019	5,133	10,216	5,083

Exhibit B

STODDARD COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2000			1999		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>CAPITAL IMPROVEMENTS FUND</u>						
RECEIPTS						
Interest	15,000	0	(15,000)	15,000	12,915	(2,085)
Other	2,000,000	0	(2,000,000)	0	0	0
Transfers in	396,522	0	(396,522)	100,000	0	(100,000)
Total Receipts	2,411,522	0	(2,411,522)	115,000	12,915	(102,085)
DISBURSEMENTS						
Building and grounds	3,000,000	297,023	2,702,977	590,563	0	590,563
Total Disbursements	3,000,000	297,023	2,702,977	590,563	0	590,563
RECEIPTS OVER (UNDER) DISBURSEMENTS	(588,478)	(297,023)	291,455	(475,563)	12,915	488,478
CASH, JANUARY 1	603,478	603,478	0	590,563	590,563	0
CASH, DECEMBER 31	15,000	306,455	291,455	115,000	603,478	488,478

The accompanying Notes to the Financial Statements are an integral part of this statement.

Notes to the Financial Statements

STODDARD COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statements present the receipts, disbursements, and changes in cash of various funds of Stoddard County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission or an elected county official. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America, which require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Sections 50.525 through 50.745, RSMo 2000, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt formal budgets for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Associate Circuit Division Interest Fund	2000 and 1999
Circuit Division Interest Fund	2000 and 1999
Law Library Fund	2000 and 1999

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 2000, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

However, the county's published financial statements did not include the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Sheriff's Forfeiture Fund	2000 and 1999
Associate Circuit Division Interest Fund	2000 and 1999
Circuit Division Interest Fund	2000 and 1999
Law Library Fund	2000 and 1999

2. Cash

Section 110.270, RSMo 2000, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo 2000, requires political subdivisions with authority to invest in instruments other than depositary accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has not adopted such a policy.

In accordance with Statement No. 3 of the Governmental Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of cash deposits. For the purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions.

Of the bank balance at December 31, 2000, \$141,123 was covered by federal depositary insurance and \$2,761,201 was covered by collateral pledged by the depositary bank and held by an independent bank but not in the county's name.

Of the bank balance at December 31, 1999, \$138,197 was covered by federal depositary insurance and \$3,498,211 was covered by collateral pledged by one bank and held by the safekeeping department of an affiliate of the same bank holding company but not in the county's name.

Supplementary Schedule

Schedule 1

STODDARD COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2000	1999
U. S. DEPARTMENT OF AGRICULTURE				
	Passed through state:			
	Department of Social Services -			
10.550	Food Distribution	IN103009	\$ 0	108
	Department of Health -			
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	ER0045-9204	83,228	70,213
10.559	Summer Food Service Program for Children	ERS146-0204I	1,140	0
U.S. DEPARTMENT OF DEFENSE				
	Passed through state Department of Public Safety -			
12.unknown	Surplus property	140	0	34,282
U.S. DEPARTMENT OF JUSTICE				
	Direct programs:			
16.585	Drug Court Discretionary Grant Program	98-DC-VX-0032	2,057	11,861
16.710	Public Safety Partnership and Community Policing Grants	95CFWX1931	13,554	16,490
16.unknown	Equitable Sharing of Seized and Forfeited Property	N/A	0	1,195
	Passed through:			
	State Department of Public Safety -			
16.523	Juvenile Accountability Incentive Block Grants	98JAIBG-LG-020	9,125	0
	Missouri Sheriffs' Association -			
16.unknown	Domestic Cannabis Eradication/Suppression Program	N/A	3,514	1,860

Schedule 1

STODDARD COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2000	1999
U. S. DEPARTMENT OF TRANSPORTATION				
Passed through state:				
Highway and Transportation Comission-				
20.205	Highway Planning and Construction	BRO 103 (30)	0	68,962
		BRO 103 (32)	0	222,944
		BRO 103 (33)	16,847	0
		BRO 103 (34)	14,552	0
		BRO 103 (35)	119,767	19,452
		BRO 103 (36)	64,486	47,973
		BRO 103 (37)	15,800	0
		BRO 103 (38)	99,760	0
		BRO 103 (39)	0	147,264
		BRO 103 (40)	161,236	32,542
	Program Total		<u>492,448</u>	<u>539,137</u>
Emergency Management Agency-				
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants	N/A	2,602	0
GENERAL SERVICES ADMINISTRATION				
Passed through state Office of Administration -				
39.003	Donation of Federal Surplus Personal Property	2823 09-58	272	0
FEDERAL EMERGENCY MANAGEMENT AGENCY				
Passed through state Department of Public Safety:				
83.534	Emergency Management - State and Local Assistance	N/A	4,856	2,362
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through state:				
Department of Health -				
93.043	Special Programs for the Aging- Title III, Part F-Disease Prevention and Health Promotion Services	N/A	1,992	1,328
93.197	Childhood Lead Poisoning Prevention Projects - State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	ERO146-9204CLPP	10	360
93.268	Immunization Grants	PG0064-9204IAP	3,669	3,010
		N/A	33,707	23,821
	Program Total		<u>37,376</u>	<u>26,831</u>

Schedule 1

STODDARD COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures Year Ended December 31,	
			2000	1999
	Department of Social Services -			
93.563	Child Support Enforcement	N/A	19,917	23,329
	Department of Health -			
93.575	Child Care and Development Block Grant	ERO146-9204CCH&SCS	2,465	2,015
		ERO146-99-204SFSP	0	1,720
		PG0067-9204	2,150	0
	Program Total		<u>4,615</u>	<u>3,735</u>
	Department of Social Services -			
93.667	Social Services Block Grant	SSO1497	32,934	0
		ERO172075	28,592	53,607
		SSO1264	1,358	1,553
		AOC00380392	6,701	14,536
	Program Total		<u>69,585</u>	<u>69,696</u>
	Department of Health -			
93.919	Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	ERS161-00061	11,829	9,732
93.940	HIV Prevention Activities - Health Department Based	N/A	99	52
93.991	Preventive Health and Health Services Block Grant	N/A	393	275
93.994	Maternal and Child Health Services Block Grant to the States	ERO146-9204MCH	29,598	23,064
		ERO175-9226FP	0	11,429
		AOC9000078	0	3,611
		AOCO1380036	2,097	0
		N/A	1,963	1,376
	Program Total		<u>33,658</u>	<u>39,480</u>
	Total Expenditures of Federal Awards		<u>\$ 792,270</u>	<u>852,326</u>

N/A - Not applicable

The accompanying Notes to the Supplementary Schedule are an integral part of this schedule.

Notes to the Supplementary Schedule

STODDARD COUNTY, MISSOURI
NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Stoddard County, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

Federal financial assistance means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals

Federal award means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

Amounts for the Food Distribution Program (CFDA number 10.550) represent the dollar value assigned to commodities based on prices provided by the state Department of Social Services, and amounts for the Department of Public Safety - Surplus Property Program (CFDA number 12.unknown) and Donation of Federal

Surplus Personal Property (CFDA number 39.003) represent the estimated fair market value of property at the time of receipt.

Of the amounts for Immunization Grants (CFDA number 93.268), \$33,707 and \$23,821 represent the original acquisition cost of vaccines purchased by the Centers for Disease Control of the U.S. Department of Health and Human Services but distributed to the Health Center through the state Department of Health during the years ended December 31, 2000 and 1999. Of the amounts for the Preventive Health and Health Services Block Grant (CFDA number 93.991), \$393 and \$275 represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 2000 and 1999. Of the amounts for the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994), \$1,963 and \$1,376 also represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 2000 and 1999. The remaining amounts for Immunization Grants and the Maternal and Child Health Services Block Grant to the States represent cash disbursements.

2. Subrecipients

Of the federal expenditures presented in the schedule, the county provided \$492,448 and \$539,137 to subrecipients under the Highway Planning and Construction Program (CFDA number 20.205) during the years ended December 31, 2000 and 1999.

FEDERAL AWARDS -
SINGLE AUDIT SECTION

State Auditor's Report



CLAIRE C. McCASKILL
Missouri State Auditor

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the County Commission
and
Officeholders of Stoddard County, Missouri

Compliance

We have audited the compliance of Stoddard County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the years ended December 31, 2000 and 1999. The county's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the county's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the county's compliance with those requirements.

In our opinion, Stoddard County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the years ended December 31, 2000 and 1999. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB

Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as finding numbers 00-1 through 00-2.

Internal Control Over Compliance

The management of Stoddard County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the county's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the county's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as finding numbers 00-1 through 00-2.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider finding number 00-1 to be material weakness.

This report is intended for the information of the management of Stoddard County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, reading "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" and last name "McCaskill" clearly distinguishable.

Claire McCaskill
State Auditor

June 7, 2001 (fieldwork completion date)

Schedule

STODDARD COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)
YEARS ENDED DECEMBER 31, 2000 AND 1999

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? yes x no

Reportable conditions identified that are
not considered to be material weakness? yes x none reported

Noncompliance material to the financial statements
noted? yes x no

Federal Awards

Internal control over major program:

Material weakness identified? x yes no

Reportable conditions identified that are
not considered to be material weaknesses? x yes none reported

Type of auditor's report issued on compliance for
major program(s): Unqualified

Any audit findings disclosed that are required to be
reported in accordance with Section .510(a) of OMB
Circular A-133? x yes no

Identification of major program:

CFDA or
Other Identifying
Number

Program Title

20.205 Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs:

\$300,000

Auditee qualified as a low-risk auditee?

_____ yes x no

Section II - Financial Statement Findings

This section includes no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Section III - Federal Award Findings and Questioned Costs

This section includes the audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

00-1.

Subrecipient Monitoring

Federal Grantor:	U.S. Department of Transportation
Pass-Through Grantor:	State Highway and Transportation Commission
Federal CFDA Number:	20.205
Program Title:	Highway Planning and Construction
Pass-Through Entity	
Identifying Numbers:	BRO – 103 (30); BRO – 103 (32); BRO – 103 (33); BRO – 103 (34); BRO – 103 (35); BRO – 103 (36); BRO – 103 (37); BRO – 103 (38); BRO – 103 (39); and BRO – 103 (40)
Award Years:	2000 and 1999
Questioned Costs:	Not applicable

During the years ended December 31, 2000 and 1999, Stoddard County was designated as the recipient for Highway Planning and Construction Grants for bridge replacement and rehabilitation under the Highway Planning and Construction Program. These funds were passed through to several townships and special road districts within the county. The County Commission did not adequately monitor these subrecipients for compliance with applicable laws and regulations. Grant funding for these programs totaled \$1,031,585 for the two years.

Under provisions of the Single Audit Act and OMB Circular A-133, the county, as the primary grant recipient, is required to monitor any subrecipients receiving \$25,000 or more in federal financial assistance for compliance with applicable laws and regulations. The townships and special road districts submitted requests for payments to the county for approval which the county in turn submitted to the state. The county did not require the subrecipients to provide proof of payment to the contractors before conveying the federal funds. In addition, the county did not retain copies of all the requests for payments or other documentation that was presented to them for approval, including contracts with the construction companies. No written contracts existed between the county and these entities regarding the use of the federal funds. By not properly monitoring the subrecipients, the county cannot ensure grant monies are being expended in accordance with federal

requirements. As the grant recipient, the county is ultimately responsible for ensuring compliance with federal requirements.

WE RECOMMEND the County Commission properly monitor federal grant subrecipients to ensure compliance with applicable laws and regulations.

AUDITEE'S RESPONSE AND PLAN FOR CORRECTIVE ACTION

The County Commission will begin monitoring the federal subrecipients right away. They will request documentation of payment by the subreipients and will maintain all documentation.

00-2. Schedule of Expenditures and Federal Awards
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Federal Grantor:	U.S. Department of Transportation
Pass-Through Grantor:	State Highway and Transportation Commission
Federal CFDA Number:	20.205
Program Title:	Highway Planning and Construction
Pass-Through Entity	
Identifying Numbers:	BRO – 103 (30); BRO – 103 (32); BRO – 103 (33); BRO – 103 (34); BRO – 103 (35); BRO – 103 (36); BRO – 103 (37); BRO – 103 (38); BRO – 103 (39); and BRO – 103 (40)
Award Years:	2000 and 1999
Questioned Costs:	Not applicable

Although the county prepared a schedule of expenditures of federal awards (SEFA) for each of the two years ended December 31, 2000; the information presented by the County Clerk for some of the programs was not accurate. Section .310(b) of Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, requires the auditee to prepare a SEFA for the period covered by the auditee's financial statements. The county is required to submit the SEFA to the State Auditor's Office as part of the annual budget.

The county's schedule did not include all the juvenile and emergency management grants because the information obtained from the granting agencies and the juvenile office did not indicate they were federal awards. In addition, the amounts reported to the County Clerk by the Health Center were not adjusted for programs that were only in part federally funded and did not include non-cash awards such as vaccinations. Other programs reported did not include the required CFDA number or pass-through grantor's number. In addition, some non-federal programs were included and other programs were reported incorrectly. As a result, the county over reported expenditures on their SEFA schedule by approximately \$114,000 for 2000 and under reported expenditures by approximately \$62,000 for 1999.

Without an accurate and complete SEFA, federal financial activity may not be audited and reported in accordance with federal requirements which could result in future reductions of federal funds.

WE RECOMMEND the County Clerk prepare a complete and accurate schedule of expenditures of federal awards.

AUDITEE'S RESPONSE AND PLAN FOR CORRECTIVE ACTION

The County Clerk will try to improve on the next schedule they prepare. The Juvenile Office and Health Center indicated they will provide the County Clerk with the most accurate information they can obtain.

Follow-Up on Prior Audit Findings for an
Audit of Financial Statements Performed in Accordance
With *Government Auditing Standards*

STODDARD COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

Our prior audit report issued for the two years ended December 31, 1998, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Summary Schedule of Prior Audit Findings
in Accordance With OMB Circular A-133

STODDARD COUNTY, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
IN ACCORDANCE WITH OMB CIRCULAR A-133

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings and Questioned Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500(e) of OMB Circular A-133 requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresents the status of any prior findings.

This section represents the Summary Schedule of Prior Audit Findings, which was prepared by the county's management.

Finding - Three Years Ended December 31, 1996

5. Sheriff's Property Acquisition Procedures

Federal Grantor:	U. S. Department of Defense
Pass-Through Grantor:	Department of Public Safety
Federal CFDA Number:	12.unknown
Program Title:	Surplus Property
Pass-Through Entity	
Identifying Number:	Not applicable
Award Year:	1996 and 1995
Questioned Costs:	\$33,810

The Sheriff obtained two helicopters along with various items for the support and maintenance of the helicopters from the U.S. Department of Defense through the state Department of Public Safety. These items were not approved for receipt by the County Commission, were not recorded on county fixed asset records, and were operated under the Sheriff's Reserve organization in the county's name.

Recommendation:

The Sheriff only obtain such items with the approval of the County Commission. The Commission and the Sheriff should work together to ensure federal compliance requirements are met. In addition, the County Commission and the Sheriff should contact the Department of Public Safety to determine the correct course of action to take in regards to the ownership, use, and operation of the helicopter and other donated federal property.

Status:

Implemented. The County Commission and the Department of Public Safety have approved the Sheriff's management of the helicopter and its operations.

MANAGEMENT ADVISORY REPORT SECTION

Management Advisory Report -
State Auditor's Findings

STODDARD COUNTY, MISSOURI
MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

We have audited the special-purpose financial statements of various funds of Stoddard County, Missouri, as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated June 7, 2001. We also have audited the compliance of Stoddard County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the years ended December 31, 2000 and 1999, and have issued our report thereon dated June 7, 2001.

We also have audited the operations of elected officials with funds other than those presented in the special-purpose financial statements. As applicable, the objectives of this audit were to:

1. Determine the internal controls established over the transactions of the various county officials.
2. Review and evaluate certain other management practices for efficiency and effectiveness.
3. Review certain management practices and financial information for compliance with applicable constitutional, statutory, or contractual provisions.

Our audit was conducted in accordance with applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and included such procedures as we considered necessary in the circumstances. In this regard, we reviewed accounting and bank records and other pertinent documents and interviewed various personnel of the county officials.

As part of our audit, we assessed the controls of the various county officials to the extent we determined necessary to evaluate the specific matters described above and not to provide assurance on those controls. With respect to controls, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation and we assessed control risk.

Because the Health Center, Sheltered Facilities Board and 911 Board are audited and separately reported on by other independent auditors, the related funds are not presented in the special-purpose financial statements. However, we reviewed those audit reports and other applicable information for the year ended December 31, 1999.

Our audit was limited to the specific matters described in the preceding paragraphs and was based on selective tests and procedures considered appropriate in the circumstances. Had we performed additional procedures, other information might have come to our attention that would have been included in this report.

The accompanying Management Advisory Report presents our findings arising from our audit of the elected county officials and the county boards referred to above. In addition, this report includes findings other than those, if any, reported in the accompanying Schedule of Findings and Questioned Costs. These findings resulted from our audit of the special-purpose financial statements of Stoddard County and of its compliance with the types of compliance requirements applicable to its major

federal program but do not meet the criteria for inclusion in the written reports on compliance and on internal control over financial reporting or compliance that are required for audits performed in accordance with *Government Auditing Standards* and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

1. Sheriff's Reserve Bank Accounts

The Sheriff's department and reserve deputies maintain several bank accounts outside the county treasury. When questioned about the number of reserve accounts maintained, the Sheriff indicated that he did not know how many accounts there were and that he gets no reporting of the funds deposited or spent from these accounts. The Sheriff also stated the records were "not subject to audit because it is not a government organization. It is the same as the local Lions Club or Kiwanas Club. What they do with their money is their business. It's not county funds." Because the Sheriff denied the State Auditor's Office access to the records of these accounts, we subpoenaed the bank records for three reserve accounts we were aware of.

- A. One account, designated as the "Stoddard County Sheriff's Department, Reserve Commissary Account", is used to operate the jail commissary. The jail commissary is operated by county employees for the benefit of county prisoners and the office manager is the check signer for this account. Any proceeds from such an operation are accountable fees that should be deposited into the county treasury.

Additionally, the bank records indicated receipts totaling \$2,996 related to federal grant program reimbursements were deposited into this account. These monies relate to programs for which the county was the designated grantee and are accountable fees that should have been deposited into the county treasury. Without adequate documentation, there is no assurance these monies were used in accordance with the grant agreements. Additionally, the Sheriff's Department is using the account as a petty cash fund for postage and other items as reimbursements from the county were deposited to the account.

While the bank records showed receipts and disbursements of approximately \$31,000 during the two years ended December 31, 2000, there is no assurance that other receipts do not include additional accountable monies or that disbursements are appropriate. Apparently, this account and operations have not been adequately monitored as the account balance at December 31, 2000, was negative \$588. It appears the commissary operation is either losing money or the amount spent on non-commissary items exceeds the profits.

- B. A second account, designated as the “Sheriffs Reserve Canine Fund,” appears to be for the expenses of the drug dog and the Sheriff’s helicopter; however, bank records showed additional federal grant program reimbursements totaling \$1,704 deposited to this account. Without adequate documentation, there is no assurance these monies were used in accordance with the grant agreements. While the bank records showed receipts and disbursements of over \$10,000 during the two years ended December 31, 2000, there is no assurance that other receipts do not include additional accountable monies or that disbursements are appropriate.
- C. A third account, designated as the “Stoddard County Sheriff’s Reserve,” appears to be for the expenses of reserve officers’ vehicles and equipment and for donations received in exchange for security services. While the bank records showed receipts and disbursements of over \$12,000 during the two years ended December 31, 2000, there is no assurance that other receipts do not include additional accountable monies or that disbursements are appropriate.

Contrary to the Sheriff’s belief that these accounts were not county funds, our review showed that at least \$4,700 in federal receipts were deposited in these accounts. Additionally, no county official has control over commissary profits (see MAR 4B.) The Sheriff is authorized by statute to receive and distribute various fees and monies. However, Attorney General’s Opinion No. 45-92 to Henderson states sheriffs of third class counties are not authorized to maintain a bank account for law enforcement purposes separate from the county treasury. Accountable fees should be turned over to the County Treasurer and disbursed only as authorized by a warrant approved by the County Commission and signed by the County Clerk. Section 50.550, RSMo 2000, authorizes the County Commission to establish separate funds as necessary.

WE RECOMMEND the Sheriff identify all accounts and their purpose to ensure he is in compliance with the Attorney General’s Opinion. He and the County Commission should determine the appropriate handling of the commissary profits. In addition, the Sheriff needs to ensure that all accountable monies are transmitted to the County Treasurer.

AUDITEE’S RESPONSE

The Sheriff provided the following response:

He will meet with the County Commission and determine the proper course of action. He will discontinue depositing the grant monies into the Reserve Accounts.

The County Commission indicated they will implement the recommendation.

2.**Sheriff's Cost Reimbursements**

- A. The Sheriff's Department uses two county owned patrol cars and officers' personal vehicles. We noted the following concerns regarding reporting of mileage.

1. The Sheriff and deputies using their personal vehicles are required to file monthly reimbursement claim forms with the County Commission for criminal process and criminal investigative mileage. During the two years ended December 31, 2000 and 1999, the county paid approximately \$89,000 and \$75,000, respectively, to officers for mileage.

Reimbursement claims submitted by the Sheriff and his deputies for civil and criminal mileage lack adequate documentation. The Sheriff's office uses a mileage chart rather than actual odometer readings. It appears the standard mileage charged by the Sheriff's office are rounded figures. Additionally, the description of places to and from which the officer has traveled are often vague. The deputies often only record the general area covered during a patrol, such as "Hwy Z – County Line", or "West", and the mileage claimed for these patrols is often in five mile increments.

Section 57.430, RSMo 2000, requires the sheriff and deputies to file accurate and itemized mileage statements showing in detail the miles traveled by the officer, the date of the trip, the nature of the business engaged in during each trip, and the places to and from which the officer has traveled, when the officer is driving a personal vehicle.

Given the amounts spent by the county for such mileage, better controls are needed. To ensure mileage reimbursements are reasonable and represent valid expenditures, payments should be made only for actual mileage incurred. The claim forms should be reviewed for accuracy and contain sufficient detail, including actual odometer readings, prior to their approval for payments.

2. Mileage logs are not maintained in the county owned vehicles. Logs are necessary to document appropriate use of the vehicles. The logs should include the purpose and destination of each trip, the daily beginning and ending odometer readings, and the operation and maintenance costs. These logs should be reviewed to ensure the vehicles are used only for county business, are being properly utilized, and help identify vehicles which should be replaced.

- B. The County Commission has no assurance payments made to the Sheriff, totaling more than \$106,000, for preparing and serving meals to prisoners during the two years ended December 31, 2000, are reasonable and based on costs incurred by the Sheriff. The county reimburses the Sheriff \$3.25 per prisoner per day. The County Commission does not receive or review documentation supporting the actual food costs incurred by the Sheriff. By failing to receive and review documentation supporting the actual costs incurred by the Sheriff, the County Commission may be reimbursing the Sheriff more than the actual cost of providing the meals. In addition, as discussed in our prior report, if the present nonaccountable reimbursement method is continued, reimbursements made should be reported on the Sheriff's W-2 form in accordance with IRS regulations.

Similar conditions were noted in a prior report.

WE AGAIN RECOMMEND the Sheriff:

- A. And the County Commission require the submission of detailed and accurate mileage claims to verify the actual miles driven by officers in their personal vehicles. Mileage logs for county owned vehicles should be maintained. The County Commission should review the claims and mileage logs to determine if the number of miles claimed is reasonable.
- B. Produce complete documentation of actual food costs incurred from feeding prisoners. Furthermore, the County Commission should consider having the grocery store bill the county direct for all food costs associated with the boarding of prisoners. In addition, if the present nonaccountable reimbursement method is continued, the reimbursements made should be reported on the Sheriff's W-2 form.

AUDITEE'S RESPONSE

The Sheriff and County Commission provided the following responses:

- A. *They do not believe logs are necessary. They monitor the usage of the county cars through the maintenance and fuel records. They think the deputies using their own vehicles are under reporting their mileage to the county. The County Commission will ask the deputies to start recording the beginning and ending odometer readings for the day. The Sheriff agrees with the County Commission's decision.*
- B. *They will consider giving the Sheriff a 1099 or include the reimbursements on his W-2. The Sheriff agrees with the County Commission's decision.*

3.**Sheriff's Fee Account Controls and Procedures**

The Sheriff's department collected fees, bonds, gun permits, and other miscellaneous receipts totaling approximately \$253,000 and \$405,000 for the two years ended December 31, 2000 and 1999, respectively.

- A. Accounting duties are not adequately segregated. The office manager is primarily responsible for depositing and disbursing monies, preparing bank reconciliations and maintaining the accounting records for the fee account. There are no documented reviews of the accounting records performed by the Sheriff.

Proper segregation of duties helps ensure all transactions are accounted for properly and assets are adequately safeguarded. Internal controls would be improved by segregating the duties of receiving and depositing monies from recording and reconciling receipts. If proper segregation of duties cannot be achieved, at a minimum, periodic supervisory reviews of the records should be performed and documented.

- B. Receipts are not deposited on a timely basis. For example, a February 28, 2001, cash count identified monies on hand dating back to February 9, totaling \$26,226, of which \$5,608 was cash. This money was not deposited until March 5, 2001. Also, checks are not restrictively endorsed immediately upon receipt and receipt slips are not written for some monies received. Excessive cash on hand, accompanied by a lack of restrictive endorsements and receipt slips, increases the possibility of loss or misuse of funds.

In addition, the method of payment indicated on the receipt slips is not reconciled to the composition of the deposits. To properly reconcile receipts to deposits and to ensure monies are deposited intact, receipt slips should be prepared for all monies received and the composition of monies received should be reconciled to the composition of monies deposited.

A similar condition was noted in the prior report.

- C. The Sheriff's office manager maintains a cash control ledger for the various monies received through the Sheriff's office; however, the ledger is not complete and is not reconciled to the reconciled bank balance. The office manager did not include direct deposits of grant monies, bank fees, or deposits and disbursements from Sheriff sales.

To determine that all monies received are properly disbursed and book receipts agree to bank deposits, it is essential that all receipts and disbursements be included on the cash control ledger, and the cash control ledger be totaled and reconciled monthly to bank statements.

WE RECOMMEND the Sheriff:

- A. Segregate accounting duties to the extent possible or ensure periodic supervisory reviews are performed and documented.
- B. Deposit all monies daily or when accumulated receipts exceed \$100 and restrictively endorse all checks when received. In addition, prenumbered receipt slips should be issued for all monies received and the composition of receipts should be reconciled to the composition of bank deposits.
- C. Ensure all receipts and disbursements are posted to the cash control ledger on a timely basis, totaled, and reconciled monthly to bank statements.

AUDITEE'S RESPONSE

The Sheriff provided the following responses:

- A. *He will document his reviews.*
- B. *This has been implemented.*
- C. *This has been implemented. Currently, everything that is deposited during the month is disbursed at the end of the month.*

4. Sheriff's Inmate Account Controls and Procedures
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The Sheriff maintains a separate checking account to account for personal monies of inmates. The inmates can purchase candy, soda, and various other products from the commissary. Once a week, the inmates' requests for commissary items are filled and the amounts are withdrawn from the inmate account and turned over to the Stoddard County Sheriff's Reserve Association. The Reserve Association pays for the items kept in inventory for the inmate account. A computer record is maintained for each inmate which reflects monies received on the inmate's behalf, purchases made from the commissary, and the available cash balance. We noted the following areas where improvements could be made:

- A. Monthly bank reconciliations have not been prepared for the inmate account since October 1999. In addition, monthly listings of liabilities (open items) are prepared, but are not agreed to the reconciled bank and book balance. At our request, the office manager prepared the December 31, 2000 bank reconciliation; however, she was unable to generate a complete outstanding check list and differences exist between the Sheriff's various inmate accounting records and reconciliation. At December 31, 2000, the open items balance was \$873, the checkbook balance was negative \$191 and the reconciled bank balance was \$821. Differences among the various accounting records and reconciliation indicate errors have occurred that should be investigated and resolved.

Monthly reconciliations of the bank account and reconciliations of open items to the cash balance provide assurance that the records are in balance and that receipts and disbursements have been accurately handled and recorded. They are also necessary to ensure that all receipts and disbursements are properly accounted for and that cash balances can be properly identified to appropriate liabilities and other reconciling items. Had adequate reconciliations been performed, the differences mentioned above could have been detected in a timely manner and corrections made.

- B. Inventory records of commissary supplies are not adequately maintained and periodic physical inventory counts are not performed. To adequately account for commissary merchandise, inventory records should document the beginning balance for items, items purchased, and mark up procedures. Periodic inventory counts and reconciliations of monies received to items purchased and remaining in inventory should be performed. Failure to reconcile monies received to items sold could result in the loss or misuse of funds.
- C. Receipts were not deposited on a timely basis. For example, a March 13, 2001, cash count identified monies on hand totaling \$2,510, dating back to March 5, 2001. These monies were deposited on March 15, 2001. In addition, checks were not restrictively endorsed when they were received. Excessive cash on hand, accompanied by a lack of restrictive endorsements, increases the possibility of loss or misuse of funds.

WE RECOMMEND the Sheriff:

- A. Perform monthly bank reconciliations between accounting records, bank statements, and open items. Any discrepancies noted should be investigated and resolved in a timely manner.
- B. Maintain inventory records and ensure a periodic physical count of inventory is performed. Reconciliations of monies received to items purchased and remaining in inventory should be performed.
- C. Deposit all monies intact daily or when accumulated receipts exceed \$100 and restrictively endorse all checks when received.

AUDITEE'S RESPONSE

The Sheriff provided the following responses:

- A. *A new bank account was opened and it is reconciled monthly.*
- B. *This will be implemented within the next three months.*
- C. *This has been implemented.*

5.**Officials' Salaries**

Section 50.333.13 RSMo, enacted in 1997, allowed salary commissions meeting in 1997 to provide mid-term salary increases for associate county commissioners elected in 1996. The motivation behind this amendment was the fact that associate county commissioners' terms had been increased from two years to four years. Based on this statute, in 1999 Stoddard County's Associate County Commissioners' salaries were each increased approximately \$8,955 yearly, according to information from the County Clerk.

On May 15, 2001, the Missouri Supreme Court handed down an opinion in a case that challenged the validity of that statute. The Supreme Court held that this section of statute violated Article VII, section 13 of the Missouri Constitution, which specifically prohibits an increase in compensation for state, county, and municipal officers during the term of office. This case, *Laclede County v. Douglas et al.*, holds that all raises given pursuant to this statute section are unconstitutional.

Based on the Supreme Court decision, the raises given to each of the Associate County Commissioners, totaling approximately \$17,910 for the two years ended December 31, 2000, should be repaid. In addition, in light of the ruling, any raises given to other officials within their term of office should be re-evaluated for propriety.

WE RECOMMEND the County Commission review the impact of this decision and develop a plan for obtaining repayment of the salary overpayments.

AUDITEE'S RESPONSE

The County Commission provided the following response:

They are waiting on additional legal opinions and advice on this matter before making a decision.

6.**County Expenditures and Procedures**

- A. Several county employees responsible for receiving and depositing monies, are not bonded. Adequate bonding is necessary to reduce the risk of loss if funds are mishandled. Failure to properly bond all persons with access to assets exposes the county to unnecessary risks.
- B. The County Commission distributes County Aid Road Trust (CART) monies and Highway Planning and Construction Program grant monies to the county's seven townships and six special road districts. During the two years ended December 31, 2000, amounts distributed to the township road and bridge departments and special road districts totaled over \$3,278,000. The county did not enter into written contracts with the township road and bridge departments and special road districts related to these distributions. In addition, the County Commission does not monitor the townships' and special road districts' use of these county monies.

To ensure County Aid Road Trust monies and Highway Planning and Construction Program grant monies are used only for road-related purposes, the County Commission should obtain written contracts with the townships and special road districts which document the specific services to be provided for the use of these monies and include provisions for the County Commission to monitor the townships' and special road districts' use of county funds.

- C. In 2000, the County Commission approved Archives Fund expenditures in excess of available monies. The County Commission did not transfer monies from the General Fund as budgeted. As a result, the Archives Fund had a negative \$5,032 cash balance as of December 31, 2000.

Counties are not authorized to have deficit fund balances. Article VI, Section 26 (a) of the Missouri Constitution states, "No county... shall become indebted in an amount exceeding in any year the income and revenue provided for such year plus any unencumbered balances from previous years..."

The County Commission should review fund balances prior to approving expenditures for all funds to prevent this situation from reoccurring.

A similar condition was noted in the prior report.

WE RECOMMEND the County Commission:

- A. Consider obtaining adequate bond coverage for all persons with access to negotiable assets.
- B. Obtain written agreements, which specifically state what services are to be provided to the county, for any distribution of county aid road trust monies and Highway Planning and Construction Program grant monies. In addition, the written agreements should allow the County Commission to monitor the political subdivisions' expenditures of the county monies.
- C. Refrain from approving expenditures in excess of available monies.

AUDITEE'S RESPONSE

The County Commission provided the following responses:

- A. *They will check with the insurance company about obtaining such coverage; however, they believe the risk is relatively low.*
- B. *They will implement for next year's payments.*
- C. *They approved the transfer from the General Fund to the Archives Fund but the actual transfer was not done. They will ensure this does not happen again.*

The prior audit report addressed the inadequacy of the county's general fixed assets records and procedures. This condition has not improved. The County Commission or its designee is responsible for maintaining a complete detailed record of county property. The County Clerk apparently has made no effort to maintain property records or to number, tag, or otherwise identify property items. The last physical inventory was completed in 1995.

Adequate general fixed asset records and procedures are necessary to meet statutory requirements, secure better internal controls over county property, and provide a basis for determining proper insurance coverage. Inventories and proper tagging of county property are necessary to ensure fixed asset records are accurate, identify any unrecorded additions and dispositions, detect theft of assets, and identify obsolete assets.

Effective August 28, 1999, Section 49.093, RSMo 2000, provides the county officer of each county department shall annually inspect and inventory county property used by that department with an individual original value of \$250 or more and any property with an aggregate original value of \$1,000 or more. After the first inventory is taken, an explanation of material changes shall be attached to subsequent inventories. All remaining property not inventoried by a particular department shall be inventoried by the county clerk. The reports required by this section shall be signed by the county clerk.

WE RECOMMEND the County Commission establish a written policy related to the handling and accounting for general fixed assets. In addition to providing guidance on accounting and record keeping, the policy could include necessary definitions, address important dates, establish standardized forms and reports to be used, discuss procedures for the handling of asset disposition, and any other concerns associated with county property. In addition, all general fixed assets should be tagged or identified as county-owned property.

AUDITEE'S RESPONSE

The County Commission provided the following response:

They will implement the recommendation by the end of January 2002.

8.**Budgetary Practices**

Budgets were not prepared for the Circuit Division Interest Fund, Associate Circuit Division Interest Fund, and the Law Library Fund for the two years ended December 31, 2000.

Chapter 50, RSMo 2000, requires preparation of annual budgets for all funds to present a complete financial plan for the ensuing year.

WE RECOMMEND the County Commission require budgets be prepared or obtained for all county funds in accordance with state law.

AUDITEE'S RESPONSE

The County Commission indicated they will request these budgets for the next year. The Circuit Clerk indicated she will prepare budgets for the Circuit Division Interest Fund and the Law Library Fund. The Associate Judge, Division II, indicated he will provide a budget directly to the State Auditor's Office.

9.**Computer Controls**

- A. Passwords required to access programs are not changed periodically by users. In addition, passwords are not kept confidential. Since access is not adequately restricted, unauthorized changes could be made in data files.

To establish individual responsibility and help preserve the integrity of computer programs and data files, access to information should be limited to those individuals who need it. A system of confidential passwords should be used to properly restrict access. Periodically changing the passwords would reduce the possibility of an unauthorized user gaining access.

- B. No security system is in place to detect and stop incorrect log-on attempts after a certain number of tries. An unauthorized individual could try an infinite number of times to log on the system, and if successful, have unrestricted access to program and data files.

To help protect computer files, a security system should be implemented to stop incorrect log on attempts after a certain number of tries. Such a system should produce a log of the incorrect attempts which should be reviewed periodically by an authorized official.

- C. The county does not have a formal contingency plan for the computer systems. As a result, the county has not formally negotiated arrangements for backup facilities in the event of a disaster.

The county should have a contingency plan to recover rapidly from a disaster or an extraordinary situation that might cause considerable loss or disruption to the county.

WE RECOMMEND the County Commission:

- A. Establish procedures to maintain the confidentiality of and periodically change user passwords.
- B. Establish a security system to stop and report incorrect log-on attempts after a certain number of tries.
- C. Develop a formal contingency plan for its computer systems.

AUDITEE'S RESPONSE

The County Commission provided the following response:

They plan to convert to a Windows based program in about a year and will implement the recommendations when they change systems.

10. County Clerk's Tax Book Procedures

- A. There is no evidence that the County Clerk adequately verifies the tax books charged to the Ex Officio County Collector. Sections 137.290 and 140.050, RSMo 2000, require the County Clerk to extend the tax books and to charge the Ex Officio County Collector with the aggregate amount of taxes and fees in the back tax books. The procedures outlined in the statutes for the preparation of the tax books provide a system of checks and balances. Failure to perform reviews of the tax books and test some individual tax bill computations may result in the failure to discover errors and irregularities.
- B. Although the County Clerk maintains an account book with the Ex Officio Collector that summarizes all taxes charged to the Ex Officio Collector, monthly collections, delinquent credits, abatements and additions, and protested amounts, the County Clerk does not reconcile his account book with the Ex Officio Collector's annual settlements. Reconciling the County Clerk's account book to the Ex Officio Collector's annual settlements would enable the County Clerk to ensure the amount of taxes charged and credited to the Ex Officio Collector each year is complete and accurate.

Similar conditions were noted in the prior report.

WE AGAIN RECOMMEND the County Clerk:

- A. Prepare the back tax books or verify the totals generated by the Ex Officio Collector's office.
- B. Make use of the County Clerk's account book to verify the Ex Officio Collector's annual settlements.

AUDITEE'S RESPONSE

The County Clerk provided the following responses:

- A. He is doing this and will better document the verification of the totals.*
- B. He will ask his staff to begin doing this for the next tax year.*

11. County Treasurer's and Ex Officio Collector's Controls and Procedures
--

- A. Receipts are not deposited on a timely basis. Monies received were often prepared for deposit and held by the Treasurer/Ex Officio Collector until subsequent days' receipts were prepared for deposit, then several deposits were taken to the bank. For example, on December 22, 2000, three deposits were made which consisted of receipts from December 18 through December 21 and totaled approximately \$4,400.

To adequately safeguard receipts and reduce the risk of loss or misuse of funds, deposits should be made daily or when accumulated receipts exceed \$100.

A similar condition was noted in the prior report.

- B. The Treasurer's receipt slips do not indicate the method of payment. As a result, the composition of monies received cannot be reconciled to the amounts deposited. In addition, receipt slips are not always issued as money is received, but are often prepared at the time of deposit. Also, receipt slips are not prenumbered. To reduce risk of loss or misuse of county resources, the County Treasurer should record monies and prepare prenumbered receipt slips immediately upon receipt, record the method of payment on the receipt slips and account for their numerical sequence, and reconcile the composition of receipts to the amounts deposited.

WE RECOMMEND the County Treasurer/Ex Officio Collector:

- A. Deposit receipts daily or when accumulated receipts exceed \$100.

- B. Issue prenumbered receipt slips immediately upon receipt, record the method of payment on the receipt slips and account for their numerical sequence, and reconcile the composition of receipts to amounts deposited.

AUDITEE'S RESPONSE

The Treasurer/Ex-Officio Collector provided the following responses:

- A. *This has been implemented. Deposits are made daily for the Treasurer and Ex-Officio Collector receipts.*
- B. *She will begin indicating cash on her receipt slips and will reconcile the method of payment to deposits. She will get prenumbered receipt slips the next time they order receipt slips.*

12. Prosecuting Attorney's Controls and Procedures

The Prosecuting Attorney's office receives monies for bad check restitution, court-ordered restitution payments, and delinquent taxes and transmits these to the County Treasurer, the various county courts, and others. Our review of the Prosecuting Attorney's records and procedures revealed the following concerns:

- A. Bad check and court-ordered restitution payments and fees are not transmitted to the County Treasurer or courts on a timely basis. Transmittals are made approximately once a week regardless of when received or the amount on hand. In addition, a transmittal listing or other documentation of items turned over to the County Treasurer and the courts is not maintained.

To adequately safeguard receipts and reduce the risk of loss, theft, or misuse of funds, receipts should be transmitted to the County Treasurer or the courts daily or when accumulated receipts exceed \$100. In addition, a transmittal listing of items remitted to the County Treasurer and the courts should be prepared and a copy should be retained by the Prosecuting Attorney.

- B. Checks and money orders received are not restrictively endorsed immediately upon receipt. Endorsements are applied at the time transmittals are prepared. To adequately safeguard receipts, all checks to be remitted to the County Treasurer and the courts should be restrictively endorsed immediately upon receipt.

WE RECOMMEND the Prosecuting Attorney:

- A. Transmit restitution and bad check fees daily or when accumulated receipts exceed \$100 and retain a listing documenting the monies that were transmitted.
- B. Restrictively endorse checks and money orders made payable to Stoddard County immediately upon receipt.

AUDITEE'S RESPONSE

The Prosecuting Attorney provided the following response:

They have implemented the recommendations.

13. Recorder of Deeds' Controls and Procedures

During the years ended December 31, 2000 and 1999, the Recorder of Deeds collected approximately \$185,000 and \$212,000, respectively.

- A. The Recorder of Deeds does not deposit receipts intact or on a timely basis and checks and money orders are not restrictively endorsed immediately upon receipt. Currently, deposits are made approximately every other day and endorsements are applied at the end of the day. In addition, refunds of overpayments are issued from cash on hand. We also noted some checks received from individuals paying fees are cashed at the bank to make additional change.

To adequately safeguard receipts and reduce the risk of loss or misuse of funds, all receipts should be deposited intact daily or when receipts exceed \$100 and all checks should be restrictively endorsed immediately upon receipt. Depositing receipts intact and issuing any refunds by check is necessary to ensure the proper accounting of all receipts and disbursements. If a change fund is needed, it should be maintained at a constant dollar amount.

- B. The method of payment is not documented on the daily abstract of fees or elsewhere for any fees. The Recorder indicated she compares the receipt total to the deposit total as part of her review; however, without a record of the payment method, it is not possible to ensure the composition of the deposit agrees to the composition of the daily abstract of fees and monies actually received.

To ensure receipts are deposited intact, the abstract of fees or other supporting records should contain the method of all payments.

Similar conditions were noted in the prior report.

WE AGAIN RECOMMEND the Recorder of Deeds:

- A. Deposit receipts intact daily or when accumulated receipts exceed \$100 and restrictively endorse checks and money orders immediately upon receipt. In addition, the Recorder of Deeds should discontinue the practice of paying refunds in cash and cashing receipts to make change. If necessary, a change fund should be established and maintained at a constant amount.

- B. Record the method of payment for all fees on the abstract of fees or other supporting schedules and reconcile the composition of receipts to amounts deposited.

AUDITEE'S RESPONSE

The Recorder of Deeds provided the following responses:

- A. *She will continue depositing every other day and will continue with the other processes as well.*
- B. *She will try to indicate cash or check on her records.*

14. Circuit Clerk's Controls and Procedures
--

During the two years ended December 31, 2000 and 1999, the Circuit Clerk's office collected approximately \$455,000 and \$1,416,000 respectively, for civil and criminal court costs.

Circuit Court receipts are not deposited on a timely basis. The Circuit Clerk indicated she only deposits once a week unless they receive a large amount of cash. Holding large amounts of cash and checks increases the possibility of loss or misappropriation of funds. All monies should be deposited daily or when accumulated receipts exceed \$100.

A similar condition was noted in the prior report.

WE AGAIN RECOMMEND the Circuit Clerk deposit all receipts daily or when accumulated receipts exceed \$100.

AUDITEE'S RESPONSE

The Circuit Clerk provided the following response:

This will be implemented immediately.

15. Township Collectors' Interest Distribution

The County Clerk and the Ex-Officio Collector have not distributed the interest received from township collectors on their bank deposits on a timely basis. Interest earned from March 1997 through December 2000, totaling in excess of \$23,000 has not been distributed to other political subdivisions and is held in the General Revenue Fund. In addition, interest earned from November 1994 to February 1997 was not distributed until February 1999.

Section 110.150, RSMo 2000, and the Missouri Attorney General's Opinion No. 126, 1981 to Antonio; No. 108, 1981 to Busker; No. 148, 1980 to Antonio; and No. 40, 1965 to Owensby, provide the interest on school funds, county hospital and hospital district funds, county library funds, county health center funds, special road and bridge funds, and assessment funds, be placed to the credit of those funds, and the interest on all other funds to the credit of the county's General Revenue Fund.

WE RECOMMEND the County Clerk and Ex-Officio Collector allocate interest on a timely basis in accordance with state statutes and Attorney General's opinions.

AUDITEE'S RESPONSE

The County Clerk indicated he will work with the new Ex-Officio Collector to get this done and the Ex-Officio Collector indicated she will distribute the current accumulation this year and will continue to distribute yearly.

This report is intended for the information of the management of Stoddard County, Missouri, and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

Follow-Up on Prior Audit Findings

STODDARD COUNTY, MISSOURI FOLLOW-UP ON PRIOR AUDIT FINDINGS

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Stoddard County, Missouri, on findings in the Management Advisory Report (MAR) of our report issued for the three years ended December 31, 1996.

The prior recommendations which have not been implemented, but are considered significant, are repeated in the current MAR. Although the remaining unimplemented recommendations are not repeated, the county should consider implementing those recommendations.

1. Budgetary and Reporting Practices

- A. Warrants were issued in excess of approved budgeted expenditures.
- B. The county's annual published financial statements did not include the financial activity of several county funds.

Recommendation:

The County Commission:

- A. Refrain from incurring expenditures in excess of budgeted amounts. If the county receives additional funds which could not be estimated when the budget was adopted, the county should amend its budget by following the procedures required by state law.
- B. Ensure financial information for all county funds is properly reported in the annual published financial statements.

Status:

- A. Implemented.
- B. Not implemented. The published financial statements did not contain detailed balances or revenue information for the Capital Projects Fund, Prosecuting Attorney Administration Fund, or Recorder Maintenance Fund. In addition, the published financial statements did not include some of the smaller funds. Although not repeated in the current MAR, our recommendation remains as stated above.

2. County Expenditures and Procedures

- A. The County Commission had no assurance payments made to the Sheriff for preparing and serving meals to the prisoners were reasonable and based on costs incurred by the Sheriff. The County Commission reimbursed the Sheriff for

meals at a daily rate of \$3.25 per prisoner. The County Commission did not receive or review invoices supporting the actual food costs incurred by the Sheriff.

- B. The Record Preservation Fund had a negative cash balance as of December 31, 1994.
- C. The county did not have a drug-free workplace policy and awareness program sufficient to comply with the requirements of the Drug-Free Workplace Act.

Recommendation:

The County Commission:

- A. Pay food and related supply invoices for the cost of feeding prisoners directly to the vendors. However, if the County Commission continues to pay the Sheriff, the Commission should pay based on documentation of actual expenses incurred and actual meals served by the Sheriff. In addition, if the present nonaccountable reimbursement method is continued, the reimbursements made should be reported on the Sheriff's W-2 form.
- B. Refrain from approving expenditures in excess of available monies.
- C. Establish a written drug free workplace policy and applicable drug-free awareness programs to ensure compliance with the Drug-Free Workplace Act.

Status:

- A. Not implemented. See MAR. No. 2.
- B. Not implemented. See MAR No. 6.
- C. Implemented.

3. Statutory Salaries

There was no documentation that the salary commission had met in 1993 and approved the salary increases and thus there was no support for these salary changes.

Recommendation:

The County Commission consult with legal counsel regarding past and current actions and pay only the authorized salary set by the salary commission.

Status:

Implemented.

4. County Clerk's Procedures

- A. The County Clerk did not prepare the back tax books or verify the back tax book totals for real estate or personal property taxes.
- B. The County Clerk did not maintain an account book with the Ex Officio Collector.
- C.1. The County Clerk did not periodically reconcile purchases with additions to the fixed asset records.
 - 2. Not all county fixed assets were noted on the fixed asset listing nor could some of the items on the listing be located.
 - 3. An annual inventory and quarterly inspections of county-owned land and buildings was not conducted.
 - 4. The county did not have an established method for disposing of property.
 - 5. The County Clerk's office had not maintained a record of property balances, additions, and deletions that was reconciled from year to year.

Recommendation:

The County Clerk:

- A. Prepare the back tax books or verify the totals generated by the EOC's office.
- B. Establish and maintain an account book with the EOC. In addition, the County Commission should consider using the account book to verify the annual settlements of the EOC.
- C.1. Periodically reconcile purchases with additions to the fixed asset records.
 - 2. Ensure complete general fixed asset records are maintained on a current basis.
 - 3. Conduct an annual inventory of all general fixed asset items and quarterly inspections of county-owned land and buildings and maintain complete documentation of each inventory and inspection.

4. And County Commission establish a formal method of disposing of general fixed assets. Written authorization for all property dispositions should be obtained.
5. Prepare a statement of changes in general fixed assets on an annual basis.

Status:

- A. Not implemented. See MAR No. 10.
 - B. Partially implemented. The County Clerk maintains an account book but it is not reconciled to the EOC's tax book. See MAR No. 10.
 - C. Not implemented. See MAR No. 7.
5. Sheriff's Property Acquisition Procedures

See our audit report on Stoddard County, Missouri, for the two years ended December 31, 1998 (report number 99-83).

6. Sheriff's Controls and Procedures
- A. Receipts were not deposited on a timely basis.
 - B. Receipt slips did not indicate the method of payment. In addition, the composition of receipts was not reconciled to the composition of deposits.
 - C. A master list of items held by the Sheriff's Department to account for seized property was not maintained and no physical inventory or comparison of the individual listings to items stored was performed.
 - D. The criminal and prisoner transportation mileage claim forms submitted lacked adequate documentation. In addition, the Sheriff's office used a mileage chart rather than actual odometer readings.

Recommendation:

The Sheriff:

- A. Deposit receipts daily or when accumulated receipts exceed \$100.
- B. Record the method of payment for all monies received and reconcile cash, checks, and money orders received to the composition of bank deposits.
- C. Appoint one officer or employee to maintain a complete, updated record of all seized property and evidence items held by the Sheriff's Department, including additions and dispositions. Access to the items held should be limited to the

responsible employee. In addition, a periodic physical inventory of all items should be performed and the results compared to the listing to verify the correctness of the listing.

- D. And the County Commission require the submission of detailed and accurate mileage claims to verify the actual miles driven by the officers. Mileage logs for all Sheriff's personnel should be submitted to support the mileage reimbursed by the county. The County Commission should review the mileage logs to determine if the number of miles claimed is reasonable.

Status:

- A. Not implemented. See MAR No. 3.
- B. Partially implemented. The sheriff's office is recording the method of payment on the receipt slips for all monies received, however, he is not reconciling the method of payment received to the composition of deposits. See MAR No. 3.
- C. Not implemented. Although not repeated in the current MAR, our recommendation remains as stated above.
- D. Not implemented. See MAR No. 2.

7. Ex Officio Collector's Controls and Procedures

- A. Receipts were not always deposited on a timely basis.
- B. The EOC cashed checks for employees from daily receipts.

Recommendation:

The Ex Officio Collector:

- A. Deposit receipts daily or when accumulated receipts exceed \$100.
- B. Discontinue the practice of cashing personal checks from tax monies received. In addition, the composition of checks and cash received should be reconciled to the composition of amounts deposited.

Status:

- A. Not implemented. See MAR No. 11.
- B. Implemented.

8. Recorder of Deeds' Accounting Controls

- A. Receipts were not deposited intact or on a timely basis. Employees were allowed to cash personal checks from daily collections and refunds of overpayments were issued from cash on hand. In addition, checks from individuals paying fees were cashed at the bank to make additional change.
- B. Checks were not restrictively endorsed immediately upon receipt.
- C. The abstract of fees did not contain sufficient documentation to agree individual receipts to related deposits.

Recommendation:

The Recorder of Deeds:

- A. Deposit receipts intact daily or when accumulated receipts exceed \$100. In addition, the Recorder of Deeds should discontinue the practice of cashing personal checks and paying refunds in cash. If necessary, a change fund should be established and maintained at a constant amount.
- B. Restrictively endorse checks immediately upon receipt.
- C. Record all fees on the abstract of fees or other supporting schedules in sufficient detail to agree individual recordings to the related deposits. This would include documenting the individual paying the fee and the method of payment for all money received.

Status:

- A. Partially implemented. The Recorder of Deeds discontinued cashing personal checks; however, the other recommendations have not been implemented. See MAR No. 13.

B&C. Not implemented. See MAR No. 13.

9. Circuit Clerk's Controls and Procedures

- A. Receipts were not deposited on a timely basis and monies received were not kept in a secure location.
- B. Receipt slips did not indicate the method of payment.
- C. Checks and money orders were not restrictively endorsed immediately upon receipt.

Recommendation:

The Circuit Clerk:

- A. Deposit all receipts daily or when accumulated receipts exceed \$100. In addition, receipts should be kept in a secure location until deposit.
- B. Indicate the method of payment on the receipt slips and reconcile them to bank deposits.
- C. Restrictively endorse all checks and money orders immediately upon receipt.

Status:

- A. Partially implemented. Receipts are kept in a secure location, however, receipts are not deposited daily. See MAR No. 14.
- B. Implemented.
- C. Partially implemented. Checks are endorsed before the end of the day. Although not repeated in the current MAR, our recommendation remains as stated above.

10. Associate Circuit Court-Civil Section

Receipts were not deposited on a timely basis.

Recommendation:

The Associate Circuit Division ensure all receipts are deposited daily or when accumulated receipts exceed \$100.

Status:

Partially implemented. Although not repeated in the current MAR, our recommendation remains as stated above.

STATISTICAL SECTION

History, Organization, and
Statistical Information

STODDARD COUNTY, MISSOURI
HISTORY, ORGANIZATION,
AND STATISTICAL INFORMATION

Organized in 1835, the county of Stoddard was named after Major Amos Stoddard, the first American civil commandant of upper Louisiana. Stoddard County is a township-organized, third-class county and is part of the Thirty-Fifth Judicial Circuit. The county seat is Bloomfield, Missouri.

Stoddard County's government is composed of a three-member county commission and separate elected officials performing various tasks. The county commission has mainly administrative duties in setting tax levies, appropriating county funds, appointing board members and trustees of special services, accounting for county property, maintaining county roads and bridges, and performing miscellaneous duties not handled by other county officials.

Principal functions of these other officials relate to judicial courts, law enforcement, property assessment, property tax collections, conduct of elections, and maintenance of financial and other records of importance to the county's citizens.

Counties typically spend a large portion of their receipts to support general county operations and to build and maintain roads and bridges. The following chart shows from where Stoddard County received its money in 2000 and 1999 to support the county General Revenue and Special Road and Bridge Funds:

SOURCE	2000		1999	
	AMOUNT	% OF TOTAL	AMOUNT	% OF TOTAL
Property taxes	\$ 330,596	9	321,041	8
Sales taxes	1,001,637	26	1,012,988	26
Federal and state aid	2,088,706	54	2,108,257	52
Fees, interest, and other	424,342	11	536,912	14
Total	\$ 3,845,281	100	3,979,198	100

The following chart shows how Stoddard County spent monies in 2000 and 1999 from the General Revenue and Special Road and Bridge Funds:

USE	2000		1999	
	AMOUNT	% OF TOTAL	AMOUNT	% OF TOTAL
General county government	\$ 1,084,249	25	1,117,091	29
Public safety	1,492,865	35	1,149,470	30
Highways and roads	1,700,895	40	1,582,610	41
Total	\$ 4,278,009	100	3,849,171	100

The county has approximately 277 county bridges and has 978 miles of county roads which are maintained by the various townships.

The county's population was 25,771 in 1970 and 28,700 in 1990. The following chart shows the county's change in assessed valuation since 1970:

	Year Ended December 31,				
	2000	1999	1985*	1980**	1970**
	(in millions)				
Real estate	\$ 167.9	156.5	118.0	48.4	36.7
Personal property	81.8	75.6	26.9	12.3	6.5
Railroad and utilities	40.8	42.4	31.0	21.8	13.6
Total	\$ 290.5	274.5	175.9	82.5	56.8

* First year of statewide reassessment.

** Prior to 1985, separate assessments were made for merchants' and manufacturers' property. These amounts are included in real estate.

Stoddard County's property tax rates per \$100 of assessed valuations were as follows:

		Year Ended December 31,	
		2000	1999
General Revenue Fund	\$	0.12	0.12

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and payable by December 31. Taxes paid after December 31 are subject to penalties. The county and townships bill and collect property taxes for themselves and most other local governments. Taxes collected were distributed as follows:

		Year Ended February 28, (29)	
		2001	2000
State of Missouri	\$	86,383	82,176
General Revenue Fund		353,331	337,608
Assessment Fund		125,770	120,749
Health Center Fund		284,706	270,773
Sheltered Workshop		228,003	216,509
School districts		8,890,820	8,470,984
Ambulance district		569,991	542,122
Townships General Revenue Fund		206,201	211,799
Townships Road and Bridge Fund		916,000	902,251
Townships Johnson Grass Fund		110,596	105,002
Junior College		6,255	6,221
Drainage Districts		36,618	38,097
Special Road Districts		193,110	173,922
Surtax		80,646	71,147
Investment interest		13,806	12,251
Cities		56,166	57,021
County Clerk		582	582
County Employees' Retirement		72,807	74,753
Commissions and fees:			
General Revenue Fund		102,842	104,377
Township Collectors		80,944	76,334
Total	\$	<u>12,415,577</u>	<u>11,874,678</u>

Percentages of current taxes collected were as follows:

	Year Ended February 28,	
	2001	2000
Real estate	92.5 %	92.7 %
Personal property	88.0	89.2
Railroad and utilities	100.0	100.0

Stoddard County also has the following sales taxes; rates are per \$1 of retail sales:

	Rate	Expiration Date	Required Property Tax Reduction
General	\$.0050	None	*

* The ballot indicated the present property tax rate would be reduced to 17 cents per \$100 assessed valuation. The County Commission has voluntarily reduced the property tax rate an additional 5 cents to 12 cents per \$100 assessed valuation.

The elected officials and their compensation paid for the year ended December 31 (except as noted) are indicated below.

Officeholder	2001	2000	1999
County-Paid Officials:			
Jerry Elder, Presiding Commissioner	\$	30,380	30,380
Frank Sifford, Associate Commissioner		28,380	28,380
Ray Coats, Associate Commissioner		28,380	28,380
Kay Asbell, Recorder of Deeds		43,000	43,000
Don White, County Clerk		43,000	43,000
Briney Welborn, Prosecuting Attorney		53,000	53,000
Steve Fish, Sheriff		40,000	40,000
Greg Mathis, County Coroner		7,500	7,500
Darla Grossman, Public Administrator *		4,682	
Dean Cooper, Public Administrator*		3,451	13,833
Shirley Carney, Treasurer and Ex Officio County Collector, year ended March 31,	57,078	57,078	
Jody Lemmon, County Assessor, year ended August 31,**		43,900	43,900
Dallas Peters, County Surveyor***			

* Includes fees received from probate cases.

** Includes \$900 in annual compensation received from the state.

*** Compensation on a fee basis.

State-Paid Officials:

Martha Ware, Circuit Clerk and	46,127	44,292
Joe Z. Satterfield, Associate Circuit Judge	97,382	87,235
Stephen R. Mitchell, Associate Circuit Judge	97,382	87,235

A breakdown of employees (excluding the elected officials) by office at December 31, 2000, is as follows:

Office	Number of Employees Paid by	
	County	State
County Commission	0	0
Circuit Clerk*	0	5
Recorder of Deeds	3	0
County Clerk	4	0
Prosecuting Attorney***	6	0
Sheriff*****	21	0
County Coroner	0	0
Public Administrator	0	0
Treasurer and Ex Officio County Collector	2	0
County Assessor	6	0
Associate Division**	0	6
Probate Division	0	1
Juvenile Services*****	8	14
Archives*	1	0
Buildings and Grounds*	2	0
Emergency Management*	1	0
Total	<u>54</u>	<u>26</u>

* Includes one part-time employee

** Includes two part-time employees

*** Includes three part-time employees

**** Includes four part-time employees paid by the county and five part-time employees paid by the state

***** Includes six part-time employees

In addition, the county pays a proportionate share of the salaries of other circuit court-appointed employees. Stoddard County's share of the Thirty-Fifth Judicial Circuit's expenses is 46.6 percent.

The county entered into a lease purchase agreement with United Missouri Bank on August 1, 2000. The terms of the agreement call for the county to lease land for the new Justice Center to United Missouri Bank, then United Missouri Bank leases the justice center back to the county with lease payments equal to the amount due to retire the indebtedness. The lease is scheduled to be paid off in 2015. The remaining principal and interest due on the lease at December 31, 2000, was \$2,215,000 and \$1,134,110, respectively.